

Special Meeting - Executive Committee

March 19, 2015

Approved April 15, 2015

**PCLS Executive Board**

**March 19, 2015**

**Time and Place:** A meeting of the Executive Committee convened on March 19, 2015, 1:00 p.m. at the Redwood Falls Public Library meeting room. The meeting was called to order at 12:56 p.m. with Chair Clara Friese presiding.

**Present:**

Clara Friese, Chair

Commissioner Rose Schultz, Past Chair

Commissioner Charlie Sanow, Vice Chair/Chair Elect

Anita Winkel, Secretary

Jean Meester, Treasurer

Bob Boese, Cleo Wicks, Rebecca Hudson, Tom Ellig (Redwood Falls Library Board member). Jennifer Nelson (Director, State Library Services), and Paul Kurtenbach (Internal Auditor, Office of Chief Financial).

**1. Overview of Review Process of Plum Creek Library System by State Library Services.**

Nelson noted that she and Kurtenbach spent a day at PCLS headquarters in December and another in February reviewing files and records regarding use of the LSTA grant funds given to PCLS for the purpose of bringing the Murray County Central and Fulda schools onto the library's database. Two areas of concern were identified regarding the grant: equipment purchases and mileage claimed by former PCLS Director Mark Ranum.

In the matter of the mileage reimbursement, it was noted the sequence of events included the awarding of the grant in September 2013, Ranum intending to hire an individual to manage the school project, then indicating that he was going to do it himself. Subsequently Ranum allegedly made several trips from St. Paul to Fulda and Slayton and claimed mileage reimbursement for them. Though the mileage was approved by the State office, Ranum did not seek local board approval for the claims.

In all, Ranum submitted 4 vouchers with claims for mileage dating back to the beginning of the grant process, for a total of \$6,590.08. Attempts to verify that he was actually on site at the school buildings have been unsuccessful. Boese noted that there is no evidence in PCLS board minutes that Ranum requested and received approval to make these claims.

Equipment purchases made for the purpose of the grant are also in question, Nelson said. Some of these purchases were made toward the end of the grant and shipped to Ranum's personal home. As yet, there is no documentation showing that all of this equipment was actually used for the grant.

Wicks noted that she has compiled a list of equipment purchased and what it was used for and whether it was actually used in the schools or for purposes of the grant. Boese said that approximately \$5,000 of this equipment was not used for the schools and will have to be reimbursed to the Minnesota Department of Education.

## **2. Action Items and Recommendations.**

Kurtenbach and Nelson provided the following recommendations:

- There should be a clear process on salary and fee contracts established, with clear definitions on reporting.
- Legacy reporting will be examined more closely. Multi-regional cooperation is “vexing” and discouraged. When it is done, accurate reporting as to how funds are spent is vital.
- PCLS and PLS needs to expend the \$6,000 in Legacy Funds that are unspent from fy 2014.
- In multi-regional agreements, it is important to keep a clear paper trail on how funds are being used. The local boards need to know what’s being done together for clarity.
- A written Multi-Regional agreement needs to be written between the two library systems if cooperation and sharing of programs is to continue.
- The Legacy Fund Coordinator must keep accurate records of actual time spent on managing the Legacy program.
- PCLS should put good business practices into place with a regular review of invoices and approved programs made available to the board of directors. Policies, agendas and minutes should be updated and posted on the library’s website.
- Further suggestions included: more frequent meetings by the executive board, spell out who is doing what (i.e. Legacy Committee), documenting meetings carefully, assuring that a contracted director does not receive advanced pay and be clear about how payment is to be made, spell out how any reserve funds are going to cover costs of the organization, ensure that a standard review process occurs with the system’s credit card policy.

## **3. Approval of Signature on Annual Report.**

**M/S C. Sanow/R. Schultz** to authorize Chair Friese to sign the annual report form which is to be submitted April 1, 2015.

**Motion carried** by unanimous vote.

## **4. Reimbursement to the State.**

**M/S C. Sanoe/J. Meester** that the Executive Board approve payment of the equipment bill of approximately \$5,000 as well as the mileage reimbursement of \$6590.08, and bring this before the whole board for final approval of the payment at the April 15 full board meeting.

**Motion carried** by unanimous vote.

**5. Board Meeting Intervals.**

Boese suggested that in order to comply with the State's recommendation regarding Legacy Funding monitoring, perhaps the Executive Board should meet on a regular basis between Governing Board meetings. Sanow agreed, noting that it is prudent to meet more often and suggested alternating monthly meetings between the two entities.

**6. Delivery Van Sale.**

Interest in moving forward with the sale of the old delivery truck ensued. The van has 400,000 miles on it and prior attempts to sell it netted two offers, both of which were rejected. Currently there is a sealed offer for the van that has not been opened. Friese suggested listing it in the Hyvee Trader for sale and mentioned a price of \$3,000.

**7. Carpet at PCLS Headquarters.**

Boese provided estimates for carpeting of the office building that range from \$11,000 to \$12,000. While the Executive Board recognizes the need for updates in the office, it was decided that the question will be brought to the entire Governing Board at their April meeting.

**8. Director Search.**

Since the position of PCLS Director was listed on February 19, there have been no submissions received to date. Sanow noted that he has two individuals interested in the position.

**9. Board Orientation.**

Boese will conduct a new board member orientation prior to the April 15 Governing Board meeting. This will be open to any trustees who are interested in taking part and will be held at 4:30 p.m. at the Murray County Courts building in Slayton.

**10. Adjournment.**

Being not further business, the meeting was declared adjourned at 3:15 p.m. by Chair Friese.

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